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**Department of Commerce and Insurance
Commissioner Leslie Shechter Newman**

NEWS RELEASE

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**ATTORNEY GENERAL OBTAINS BUSINESS BAN AND ADDITIONAL CIVIL PENALTIES
FROM FLORAL ORDER TELEMARKETER**

A Pennsylvania telemarketer has been ordered by agreement to stop doing business in Tennessee for 15 years and to pay the State an additional \$26,000 to resolve contempt allegations, Attorney General Bob Cooper announced today.

Attorney General Cooper and Mary Clement, Director of the Division of Consumer Affairs, signed the agreement today with Teleflorist, Inc. (a company based outside Philadelphia) to settle allegations the company did not disclose over 800 name listings and over 50 phone numbers in its previous settlement. This was the second time the State had taken the firm to court.

On Sept. 27, 2006, the Attorney General's Office, on behalf of the Division of Consumer Affairs, had previously reached a settlement with Teleflorist, Inc., an out-of-state floral order telemarketer, who the State alleged used deceptive listings and local phone numbers to make consumers believe they were purchasing flowers from a local florist.

Following a subsequent investigation into what the State thought were other floral order gatherers, the Attorney General brought a contempt motion and moved to set aside the previous settlement. Based on its investigation, the Attorney General alleged Teleflorist, Inc. failed to disclose over 800 "doing-business-as" names and over 50 phone numbers in the settlement they

entered with the State last September. Records show that the company targeted both major cities and their surrounding suburbs as well as smaller towns across the State. Teleflorist does not admit any wrongdoing in either settlement.

In addition to a 15-year ban against Teleflorist operating in Tennessee and the \$26,000 payment, the agreement includes a five-year ban that prevents one of Teleflorist's key corporate officers from conducting a similar business in Tennessee, and a five-month extension of time for Teleflorist's customers to request refund checks. The five-month expansion of the restitution program which allows for coverage of all the "doing-business-as" names operated as well as coverage of the entire time the business operated in Tennessee. Consumers who believe they may be eligible for restitution should contact the Tennessee Division of Consumer Affairs at 1-800-342-8385 (toll-free within Tennessee) or (615) 741-4737.

"Small businesses and consumers deserve to know whom they are dealing with when they order flowers," said Attorney General Bob Cooper. "We want consumers to be able to get the best value for their hard-earned dollars."

"Deceptive business practices unfortunately are the basis for consumer complaints," said Director Clement. "We are proud to have worked cooperatively with the Attorney General's office on this and we encourage anyone who believes they are eligible for restitution to file a claim with the Division of Consumer Affairs."

Cities targeted by Teleflorist include Memphis, Nashville, Chattanooga, and Knoxville as well as smaller communities across the State such as Hornbeak, Ooltewah, Portland, Strawberry Plains and Soddy Daisy. For a complete list of affected cities and towns please visit the Tennessee Attorney General's website at www.attorneygeneral.state.tn.us Click on "Office Information" and then "Cases of Interest" to reach the link to the Teleflorist, Inc. court documents.

In Tennessee, Teleflorist operated as a floral order telemarketer, also known within the floral industry as an order gatherer, which meant the company did not have a physical office in Tennessee, did not create floral arrangements in Tennessee, and did not keep flowers in inventory in Tennessee. Teleflorist's telephone listings used Tennessee town or city names followed by an alias which gave the consumer the impression that the florist was local. Calls made to the local numbers were then forwarded to call centers in Pennsylvania. Floral order gatherers generate income by collecting as many orders as possible for others to fulfill. Through wire service agreements with FTD and Teleflora, order gatherers take almost 25 percent off the total order price just for referring a floral order. The result is the consumer usually gets fewer flowers or less expensive flowers than they would have if they called their local florist directly.

Consumers who wish to file a complaint against a floral order gatherer such as Teleflorist, Inc. should contact the Tennessee Division of Consumer Affairs at 1-800-342-8385 (toll-free within Tennessee) or (615) 741-4737. Consumers can also file complaints regarding any consumer matter by calling these numbers. Complaints can also be filed online at www.state.tn.us/consumer.

When purchasing flowers, state officials suggest the following tips:

- * To avoid order gatherers, deal only with shops that list a street address and local phone number.
- *If you are using directory assistance for a number, also ask for the street number and address. If there isn't one, call your local phone provider to see if that florist has a local address.
- *Comparison shop. If you want to send roses, for example, call several florists to see how many you can get for the amount you want to spend.
- *Get recommendations from neighbors, family or friends of a good florist in your area. Also, consult the Tennessee Division of Consumer Affairs and the Better Business Bureau to see if there have been any complaints against the florist you are considering using.
- *Ask the florist to itemize the charges and tell you the total cost of your order before providing your credit card or other payment information. In addition to the price of the floral arrangement, most florists, including those in Tennessee, charge a delivery fee and taxes if you live in the same state.
- *Ask the florist for directions to the shop. If they hesitate or refuse, consider this a red flag.
- *If you can pay for the charge by the end of the month, consider paying by credit card because it may provide you with charge back remedies if your flowers aren't delivered or if they are not what you requested.